



*State of New Jersey*

**DEPARTMENT OF HEALTH AND SENIOR SERVICES**

PO BOX 360

TRENTON, N.J. 08625-0360

[www.state.nj.us/health](http://www.state.nj.us/health)

JAMES E. MCGREEVEY  
*Governor*

CLIFTON R. LACY, M.D.  
*Commissioner*

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

May 1, 2002

Richard Giorgino  
Administrator  
Columbus Hospital  
495 North Thirteenth Street  
Newark, NJ 07107

Re: Notice of Proposed Assessment of  
Penalties for Columbus Hospital

Dear Mr. Giorgino:

N.J.A.C. 8:31B-4.6(c) requires hospitals to submit current costs and financial data, including audited financial statements, to the Department of Health and Senior Services (Department). Under that regulation, the required data must be submitted by May 31<sup>st</sup> of the following year. For CY1999, the Department extended the due date to June 30, 2000. Late submission of the required data results in a penalty of \$200 per working day past the appropriate submission date, under N.J.A.C. 8:31B-3.3(c).

N.J.A.C. 8:31B-3.3(c) was amended effective July 24, 2000, which stated that the required data must be submitted by June 30<sup>th</sup> of the following year. For CY2000, the Department due date is June 30, 2001. Late submission of the required data will result in a penalty for each working day past the appropriate submission date. However, the amended regulation assesses the late fee penalty on the Cost Reports and Financial Statements individually. A fine of \$100 per working day will be assessed by the Department for late submission of the Acute Care Hospital Cost Reports, under N.J.A.C. 8:31B-3.3(c). A separate fine of \$100 per working day will be assessed for late submission of the Acute Care Hospital audited Financial Statements.

The Department has a direct interest in timely receipt of hospital financial data, including audited financial statements. As recognized in New Jersey's certificate of need legislation, the Department plays a central role in Monitoring the viability of health care services. Only with the most reliable financial information available, including audited financial statements, can the Department properly carry out its statutory oversight responsibilities.

Richard Giorgino  
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The Department did not receive your hospital's 1999 audited financial statement until July 13, 2000, a penalty of \$1,600 is being imposed for the period from July 1, 2000 to July 13, 2000, or 8 working days past the submission deadline. Also, since the Department did not receive your hospital's 2000 audited financial statement until January 2, 2002, a penalty of \$12,300 is being imposed for the period from July 1, 2001 to January 2, 2002, or 123 working days past the submission deadline. Please send a check made payable to "Treasurer, State of New Jersey" in the amount of \$13,900 to:

New Jersey Department of Health  
and Senior Services  
Health Care Financing Systems  
225 East State Street, 8<sup>th</sup> Floor East Wing  
P.O. Box 360  
Trenton, New Jersey 08625-0360  
Attn.: John Hazel

Pursuant to N.J.S.A. 26:2H-9, you may contest this proposed penalty assessment by giving written notice to this Department of your desire for a hearing before the Office of Administrative Law. This penalty may be held in abeyance until such time as the hearing has been concluded and a final decision rendered. A request for such a hearing must be submitted to this office within 30 days after the date of this letter and should be forwarded to:

New Jersey Department of Health and Senior Services  
Office of Legal and Regulatory Affairs  
P.O. Box 360, Room 805  
Trenton, New Jersey 08605-0360  
Attn.: Mrs. Carole Slimm

If you have any questions concerning this matter, please do not hesitate to contact Mr. John Hazel, HERS-I, Health Care Financing Systems, at (609) 292-8710.

FOR: Clifton R. Lacy, M.D.  
Commissioner

BY: \_\_\_\_\_  
Marilyn Dahl  
Senior Assistant Commissioner

c: Jeanette Bergeron  
John Hazel  
Joseph Sokolowski